



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

FILLMORE FIELD OFFICE

35 East 500 North
Fillmore, Utah 84631



In Reply Refer to:

3800

(U-010)

UTU-070615

UTU-070660

UTU-075877

UTU-075878

UTU-078293

RECEIVED

NOV 17 2003

DIV OF OIL GAS & MINING

November 12, 2003

CERTIFIED MAIL #7002 3150 0004 1699 4117
RETURN RECEIPT REQUESTED

DAVE PENNEY
PENNEY'S GEMSTONES
PO BOX 312
BEAVER UT 84713

Dear Mr. Penney,

We are sending five reclamation cost estimates for your review.
They are as follows:

1. UTU-070615	Rapunzel Project	\$1,000.00	- S/023/083
2. UTU-070660	Little Spot	\$11,175.00	✓ - S/027/024
3. UTU-075877	Fantasyland	\$4,920.00	- S/027/072
4. UTU-075878	Pretty in Pink	\$3,340.00	✓ - S/027/073
5. UTU-078293	White Tiger	\$2,040.00	✓ - S/027/093 *
		\$22,475.00	

Please contact me at (435) 743-3126 to discuss these figures and how you plan to file the financial guarantee(s).

Sincerely,

Larry Garahana
Geologist

cc: Tom Munson, UDOGM (S/023/083, S/027/024, S/027/096,
S/027/073, S/027/093)

PENNEY'S GEMSTONES UTU-078293 RECLAMATION COST ESTIMATE 5-9-03						
			\$/hr		hrs used	total
Excavator			\$175.00		4	\$700.00
Mobilization			\$80.00		6	\$480.00
Operator			\$25.00		4	\$100.00
Seed						\$25.00
Reclamation Cost						\$1,305.00
Administrative Costs	Contractors Profit 10%					
	Contract Administration 16%					
	Contingency 10%			56.8% of Rec Cost		\$730.80
	Indirect Cost Rate 17.8%					
	Engineering/Design 3%					
Total Reclamation Cost Estimate						\$2,035.80
Amount BLM requires for a financail guarantee (rounded to the nearest te						\$2,040.00

The reclamation cost estimate for this notice is for future work because up to this point there has been no surface disturbance at this site. Mr. Penney has remove material from the adjacent community pit through an over-the-counter permit and not from his notice area, although he plans to work his site in the near future. Mr. Penney plans to create a bench approximately five feet wide and 250 feet long on a low lying outcrop. Reclamation would be very easy with an excavator and shouldn't take more than four hours to complete. Due to small size of the operation I calculated that the equipment and manpower would come from the local area

White tiger 5/027/093